



ONLINE INNOVATION CONVERTS CLICKS INTO SALES

CUSTOMER

With over 9.2 million bags sold, eBags (www.ebags.com) is one of the world's leading online retailers of luggage, handbags, business cases, backpacks, and accessories for all lifestyles. The eBags online store features over 40,000 products representing 550 brands, including Vera Bradley, Samsonite, The North Face, Kenneth Cole, kate spade, Fossil, and Nike.

CHALLENGE

As an innovative online retailer, eBags wanted to increase conversion rates by creating an easy and informative search and navigation experience so shoppers could quickly find the bags they wanted.

SOLUTION

eBags chose the Endeca Online Retail solution for its best-of-class search and Guided Navigation® features that allow customers to explore thousands of bags (by brand, type, size, and price), millions of customer reviews, and a wide variety of videos to quickly find and purchase their desired products.

KEY BENEFITS

- Better online shopping experiences for customers
- Expansive breadth of search and navigation options
- Branded boutique stores and landing pages
- Increased conversion rates
- Greater brand awareness with recognition as an authority and destination site
- Improved sales

Within less than ten years of its founding, eBags has become one of the top online retailers, accumulating many note-worthy industry accolades including a #90 ranking in the 2008 Internet Retailer Top 500 Guide. For the fifth time in the last eight years, eBags received both the 2008 Multichannel Merchant (MCM) award for best website and an MCM Gold Award for Consumer Specialty Products.

Driven by creativity and a keen customer-centric focus, eBags has always been an innovative leader in online selling strategies. The company was one of the first to successfully employ the drop-ship business model and it has mastered the utilization of customer feedback on its site, with more than 1.5 million unbiased reviews. eBags also hosts On the Streets, a 'never been done before' kind of online boutique that showcases 70-plus emerging handbag designers and allows customers to meet new designers through video and a personal interview Q & A format.

A bag for everyone

"Reaching beyond the limits of a typical department store, we are able to service all lifestyles, from young children looking for school bags, to the sophisticated shopper looking for the latest kate spade design," says Peter Cobb, senior vice-president and co-founder of eBags.com. eBags showcases over 40,000 products from 550 designers, including Vera Bradley, Samsonite, The North Face, Kenneth Cole, kate spade, Fossil, and Nike, on seven e-commerce sites for the U.S., European, and Asian markets. "The positive side of offering a wide selection of products is that visitors have a deep and broad selection," says Cobb. "The negative is that we need to immediately show shoppers all their options, which are numerous. Keeping thousands of bags, millions of customer reviews, and hundreds of brands together across seven websites in three languages is pretty challenging."

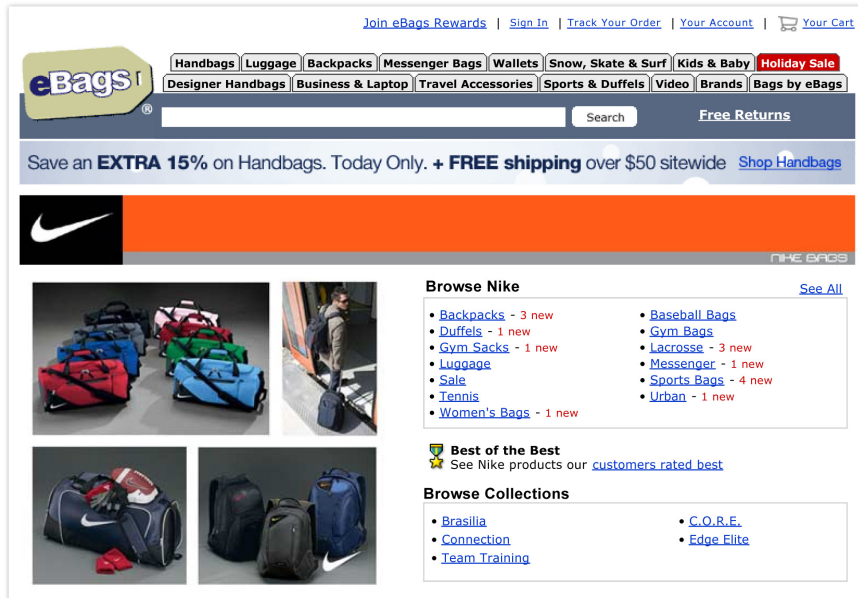
The biggest...and the best

From the inception of the company, eBags wanted to become the largest bag store in the world and service its customers in a way that provided more shopping ease and selection than any of its online competitors. "Women want to see a whole range of handbags and purses," says Cobb, "so right from the beginning, we looked for a way to move beyond the typical search engine and its single-click access to all the products in a huge category such as handbags."

"... our conversion rates have doubled since we launched Endeca."

— Peter Cobb, senior vice-president and co-founder of eBags.com

“Endeca is all about site-effectiveness, search-effectiveness, and what works best for the customer.” — Peter Cobb, senior vice-president and co-founder of eBags.com



Another plus for Endeca was the company's user-centric approach and experience in online retail. "It's important to us that Endeca understands the Internet world," explains Cobb. "The company is all about site-effectiveness, search-effectiveness, and what works best for the customer."

The inherent scalability of the solution was also an important factor in the decision process. "We have seven different websites in multiple languages, including Japanese, and we needed a provider who would grow with us. Endeca is not only scalable and expandable," says Cobb, "but they also have a vision for the next three years out that aligns with ours."

"We wanted to break down a shopper's options into categories, sub-categories, micro-categories," Cobb continues, "and guide the customer to the perfect bag very quickly."

eBags knew that by providing deeper and broader search capabilities, the company would not only improve the buying experiences of customers, but also increase conversion rates. With site traffic exceeding 100,000 visitors on some days, eBags recognized that if it could increase the site's conversion rate even by small increments, it would be able to drive tremendous sales growth. "We see conversion rate as the least expensive way to grow sales," says Cobb, "and become a more effective, better online retailer."

Searching for the best search

Although eBags typically builds most of its site in-house, the company recognized that a best-in-class search and navigation vendor such as Endeca could build a better and faster solution and be able to provide maintenance, scalability, and ongoing releases of product improvements.

"We typically don't go outside, but when we do, we want to engage with best-of-class providers," says Cobb. "Endeca isn't a company that bolted a solution onto something it already had – they're experts in the search and navigation arena, so Endeca's Online Retail was an easy choice for us."

Thousands of choices...in mere seconds

Endeca's Guided Navigation helps eBags shoppers quickly find the products that they are looking for, without knowing there is sophisticated categorization going on behind the scenes, says Cobb. "I still find it remarkable how fast Endeca navigates through our product line. Shoppers, especially those not in the Internet world, don't realize how complex Endeca's indexing capability is and that, with every click, Endeca is going through 45,000 bags to pick out the ones most relevant to them." Cobb adds, "Endeca makes it look easy."

The eBags site has two main search and navigation elements – the top of the page tabs and a left-hand column of sub-categories – that have been carefully developed by the company. "We know how our cus-

tomers buy and that people who use the top search bar are seven times more likely to convert into a purchase,” says Cobb. The categories and sub-categories on the left side are equally important, adds Cobb. “In a sense, we let the customer decide what to put there, because we select the categories based on A-B and multi-variable testing that shows us what people click on and what path they take.”

Endeca allows customers to use type, brand, price, and size filters in order to get to relevant choices more directly and efficiently than competitive sites. “We have a selection of over 12,000 handbags,” explains Cobb. “Other sites show their entire inventory from one click, forcing customers to scroll and page through bit by bit. On eBags, shoppers see over 25 subcategories of handbags – such as satchels, totes, shoulder bags, evening bags, to name a few – and are able to select the appropriate subcategory that gets them to the perfect bag with a minimum of clicks.”

A synergistic partnership

According to Cobb, eBags and Endeca have developed a synergistic, collaborative partnership. “We know the types of bags people are looking for and Endeca knows the way people search and navigate,” notes Cobb. “By putting those two elements together, we have an ideal combination.”

Of great value for eBags is that Endeca thinks about user experiences from a different perspective than eBags does. “We sometimes

become so focused on our particular product that when Endeca examines it from a technology standpoint – almost as if they were our R&D team – they are able to present us with new insights and ideas we hadn’t thought of. They also keep us up-to-date about how other companies are maximizing Endeca’s capabilities, where search is going on the Internet, and where the online retail space will be two or three years from now.”

The collaborative effort has led to greater search and navigation sophistication, says Cobb, citing the example of eBags’ laptop case finder that allows customers to quickly search through hundreds of options and find the ones that fit their brand and model. “We’re continually teaming with Endeca to think of new ways to service the customers,” says Cobb.

Success today...and into the future

Endeca has become a reliable, trusted partner, notes Cobb. “We put Endeca through its paces with seven different websites and up to 100,000 visitors a day,” says Cobb. “That’s a lot of searching and navigating and the uptime has been phenomenal. The engine never slows down, even when the traffic is double its average during peak shopping days.”

Endeca has contributed to eBags success story in more ways than one, notes Cobb. “The key for online stores is to bump up conversion rates by delivering the product to consumers in as few clicks as pos-

sible,” says Cobb. “Endeca has done that for us – our conversion rates have doubled since we launched Endeca. And they certainly have been one of the big reasons why we’ve won ‘Website of the Year’ five out of the last eight years.”

eBags is bullish on its future and feels like the new solutions coming out of Endeca will enhance its site. “I recently met with our IT team about the initiatives we have for the next six months and eight of the ten IT initiatives that will help our website are Endeca-related,” says Cobb.

“It’s a tribute that companies like eBags trust Endeca with such important, significant parts of their websites as search and navigation,” concludes Cobb. “It’s a cornerstone of our business and it’s rare for us to turn control over, but Endeca has proven to be a very trustworthy partner.”

Contact us

ENDECA
101 Main Street
Cambridge, MA 02142 USA
T 617.674.6000
F 617.674.6001

endeca.com/retail
ecommerce@endeca.com